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BEFORE THE POSTAL RATE COMMISSION WASHINGTON, DC 20268-0001

| Postal Rate and Fee Changes | : : : | Docket No. R2006- |
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THIRD SET OF INTERROGATORIES OF TIME WARNER INC.
TO UNITED STATES POSTAL SERVICE WITNESS TANG
(TW/USPS-T35-11-13)
(September 21, 2006)

Pursuant to sections 25, 26 and 27 of the Rules of Practice, Time Warner Inc. directs the following interrogatories to United States Postal Service witness Tang (USPS-T-35).

Section 25(a) of the Rules of Practice provides in part:

Generally, discovery against a participant will be scheduled to end prior to the receipt into evidence of that participant's direct case. An exception to this procedure shall operate in all proceedings brought under 39 U.S.C. 3622, 3623, 3661 and 3662 when a participant needs to obtain information (such as operating procedures or data) available only from the Postal Service. Discovery requests of this nature are permissible only for the purpose of the development of rebuttal testimony and may be made up to 20 days prior to the filing date for final rebuttal testimony.

It is the intention of Time Warner to present rebuttal testimony addressing the question of how the different Outside County Periodicals rate design proposals that have been proposed in this docket would affect different types of publications, including very small publications. Time Warner believes that the information requested in the following interrogatories can be obtained, if at all, only from the Postal Service and that it is necessary to the preparation of said rebuttal testimony and to the creation of a complete and adequate record

concerning the impact of the various Periodicals rate proposals on different types of publications.

If witness Tang is incapable of providing an answer to any question, it is requested that an answer be provided by the Postal Service as an institution or by another person capable of providing an answer.

Respectfully submitted,

s/

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ADDITIONAL INTERROGATORIES TO WITNESS TANG (USPS-T-35)

<u>TW/USPS-T35-11</u> Please refer to the data on 251 publications that you submitted in response to the question raised by Chairman Omas at your August 10 hearing. Please confirm each of the following, or explain if unable to confirm.

- a. The publication data referred to above are the same data that you submitted to the Commission in Docket No. C2004-1, the Time Warner et al. complaint case.
- b. In C2004-1 you initially submitted, through your testimony in that docket, data on only 55 publications.
- c. On September 23, 2004, POIR 2 in Docket C2004-1 requested data on additional publications.
- d. On October 15, 2004, only three weeks after the issuance of POIR 2, you were able to provide detailed data on an additional 196 publications, bringing the total to 251.

TW/USPS-T35-12 Referring again to the 251 publications on which you submitted data in response to Chairman Omas' request at your August 10 hearing, please confirm the following, or explain fully if unable to confirm.

- a. Many of the publications in your sample used, at the time your data was collected, many sacks with less than 24 pieces in them.
- b. Since May 2006, sacks of Outside County Periodicals are required to contain at least 24 pieces.
- c. Applying a rate design that includes a per-sack charge to your C2004-1 publication data is likely to exaggerate the postage that would be paid by any publication that formerly used sacks with fewer than 24 pieces.
- d. In order to accurately determine the impact of a rate design that includes a per-sack charge on a publication that previously used sacks with fewer than 24 pieces, one must consider not only the reduced number of sacks but also the likely migration of bundles to sacks with less presort.

TW/USPS-T35-13 It is now four months since the 24-piece sack requirement went into effect. Given that, and the importance of evaluating accurately the likely impact of the various rate designs proposed in the present docket, please

provide a fresh set of mail characteristics data, either for the same 251 publications that you used in C2004-1 or a similarly selected set of publications. The data should be collected for publications that are already in compliance with the 24-piece per sack requirement and other recent regulations.

The data provided for each publication should include all the information needed to determine what postage each publication:

- (1) pays under current (R2005-1) rates;
- (2) would pay under your proposed rates
- (3) would pay under the rates proposed in this docket by witness Glick (MPA-T-2); and
- (4) would pay under the rates proposed in this docket by witness Mitchell (TW-T-1).